

CITY OF MOUNTAIN VIEW
MEMORANDUM

3.1

DATE: September 17, 2009

TO: City Council

FROM: Randal Tsuda, Community Development Director
Peter Gilli, Zoning Administrator
Nancy Minicucci, Deputy Zoning Administrator

SUBJECT: SEPTEMBER 22, 2009 STUDY SESSION—SAN ANTONIO SHOPPING
CENTER PROPOSED DEVELOPMENT

PURPOSE

The purpose of this Study Session is to receive input from the City Council regarding the proposed development of a 16.34-acre site located in the San Antonio Center Precise Plan area by Merlone Geier Partners.

BACKGROUND

The San Antonio Shopping Center encompasses properties located within the area bounded by El Camino Real, San Antonio Road, California Street and Showers Drive. The General Plan and the Precise Plan encourage the remodeling of this older regional shopping center and call for the center to be distinctive from the other strip centers nearby. On January 27, 2009, the City Council granted Gatekeeper authorization for General Plan and Precise Plan amendments for the 56-acre San Antonio Shopping Center. The project proponents included two of the majority land ownership interests at the San Antonio Shopping Center: the Thoits Brothers and San Antonio, LLC. Merlone Geier Partners is under contract with the Thoits Brothers to purchase six parcels totaling 16.34 acres.

The project site is located at the northeast corner of El Camino Real and San Antonio Road. The project site currently houses 214,000 square feet of retail development, including Rite Aid, Sports Authority, Sears, Sears Tire Store, Burger King and Quality Tune-Up. The property is bounded by commercial buildings such as Ross, BevMo! and the Milk Pail to the north, San Antonio Road to the west, El Camino Real to the south and 24-Hour Fitness, Trader Joe's, a six-story office building and Chili's to the east. A Hetch-Hetchy (San Francisco Public Utilities Commission) easement crosses the project site in an east/west direction, approximately 325' to 425' from the northern boundary of the project site. The project site is divided into two parcels: the "north" parcel or

Parcel A, a 5.23-acre parcel found on the north side of the Hetch-Hetchy easement and the south parcel or Parcel B, the 11.1-acre parcel located to the south. Staff will refer to these parcels as the "north" parcel and "south" parcel throughout the report.

Merlone Geier Partners (MGP)

Merlone Geier Partners is a private real estate investment firm focused on the acquisition, development and redevelopment of retail and mixed-use properties in California and adjacent Western states. MGP and its predecessor entity, M&H Realty Partners, have been actively investing in retail property in California since 1994. From 1994 to 2002, M&H acquired, renovated and/or repositioned 50 retail properties totaling nearly 10 million square feet of improvements such as Westgate Mall in San Jose, Gateway Plaza in Vallejo and Esplanade Shopping Center in Oxnard, California.

Merlone Geier Management (MGM) provides all management, leasing and construction services for all MGP and M&H funds. The MGM team consists of a group of real estate professionals with experience in all areas of real estate investment, development, construction, leasing, finance and management.

Precise Plan

The San Antonio Precise Plan was adopted by the City Council on November 29, 1988. One of the primary objectives of the plan was to provide land use and design criteria to guide the rebuilding and strengthening of the San Antonio Center. The plan encourages extensive redevelopment and consolidation of up to 1.2 million square feet of space (or approximately 0.50 FAR), it allows for incremental change due to the separate ownerships and long-term ground leases and provides the ability to use each property independently. The applicant is proposing to amend and create new sections of the San Antonio Precise Plan in conjunction with a new development project.

Project Description

Initial Proposal

In July 2009, Merlone Geier Partners submitted preliminary plans to demolish 214,000 square feet of existing commercial space and construct approximately 442,428 square feet of new retail space with associated below-grade and at-grade parking with several access points along El Camino Real and San Antonio Road (see Sheets A13 and A14.)

The project included the construction of a grocery store with an associated service station, seven national subanchor retailers, four to six restaurants and numerous small

retail shops and boutique offices. At the time, one large retail use measuring 156,050 square feet was proposed on the north side of the Hetch-Hetchy easement with associated subgrade, at-grade and one level of aboveground parking.

During this time, the applicant received inquiries from residential developers and potential retail tenants who were interested in the 5.2-acre "north" parcel. The applicant will continue to consider alternatives for the "north" parcel over the next few months.

Primary vehicular access to the project site was designed using the existing 80' wide Hetch-Hetchy easement as a "main street" with a narrow median separating the four lanes of traffic (in some areas six lanes) and some angled parking spaces. Small-scale shops and boutique offices were proposed to front this proposed "main street." Only small shrubs and trees were proposed in the median due to the restrictions placed by the San Francisco Public Utilities Commission (SFPUC) for large trees with wider canopies. A pedestrian bridge over the existing Hetch-Hetchy easement was proposed to connect the project's plaza area to the storefront of the large-format retailer at the north end of the property.

San Francisco Public Utilities Commission (SFPUC)

In August, staff held two meetings with the applicant and SFPUC Real Estate and Engineering Division staff to discuss how the Hetch-Hetchy easement and associated requirements may affect the project proposal. The key message given by the SFPUC was their need to be able to access the existing pipes at any time should a pipe burst or maintenance be required.

After meeting with the SFPUC, the applicant revised their plans that worked around the design, landscaping and access limitations of the Hetch-Hetchy easement. The "north" parcel was also redesigned to accommodate a mixed-use residential/retail component.

ANALYSIS

Overall, the project will revitalize a major portion of the San Antonio Center, replacing aged buildings and underutilized land with new development that will provide new shopping opportunities for residents and strengthen the tax base of the City. Staff considers the revitalization of this site to be a critical component of the City's future and is excited about the opportunity to work with Merlone Geier on this project.

The plans provided by Merlone Geier represent a conceptual vision of the westernmost 16 acres of the 56-acre San Antonio Shopping Center. Several Precise Plan amendments are necessary to implement the proposed project and an Environmental Impact Report

may be required as well. Staff requests Council feedback on the big-picture issues related to the conceptual vision by Merlone Geier. The remainder of the report will discuss major components of the project, with much of the text focusing on improvements that staff believes is necessary for the project to achieve City goals:

- "South" Parcel.
 - San Antonio Road Frontage.
 - Corner of El Camino Real and San Antonio Road.
 - El Camino Real Frontage.
- Main Street (Hetch-Hetchy Easement).
- "North" Parcel.
 - Mixed-Use Residential/Retail.
 - Entertainment/Restaurant Alternative.

1. "South" Parcel

San Antonio Road Frontage

A total of 255,215 square feet of commercial building area is proposed on the 11-acre "south" parcel, resulting in a floor area ratio of 0.53 which includes a 60,000 square foot grocery store (Building M2), two large retail buildings ranging in size from 22,500 square feet (Building M4) to 30,000 square feet (Building M5) and one 50,000 square foot, two-story building. The majority of the other tenant spaces range from 3,000 square feet to 8,500 square feet and surround the proposed pedestrian plaza above the podium parking area. The plaza design is currently in the conceptual stage with special paving, landscape pots and outdoor dining areas.

Only one tenant space has a ground-level front entry out to the sidewalk along San Antonio Road (excluding the corner building which is discussed separately).

Building heights range from 30' to 63' on this area. The buildings are proposed to be contemporary in style, predominantly finished with stucco and metal, wood, ceramic and slate tile accents scattered throughout.

The loading areas are proposed along the eastern edge of the property near the existing office building and Trader Joe's. One loading area ramp is tucked in an alley between Shop C and Building M6.

Podium Garage Elevation along San Antonio Road

Extending north from the corner of El Camino Real and taking advantage of the approximately 20' grade differential from south to north, a podium structure will stretch approximately 900' to provide parking beneath the 11-acre "south" parcel. A heavily landscaped podium wall with openings for three entry and exit vehicular points is proposed along a large portion of the San Antonio Road frontage (see Sheets A11.0 and A23.1.) One entry/exit ramp provides vehicular traffic entry to the 117-space parking lot and drop-off area in front of the proposed grocery store. A ramp leading to the parking garage from the at-grade parking structure is also provided in close proximity to San Antonio Road to the podium parking structure (see Sheet A11.1.)

Corner of El Camino Real and San Antonio Road

The applicant is proposing 2 one-story buildings at the corner of El Camino Real and San Antonio Road (see Sheet A11.4.) The smaller of the two buildings facing El Camino Real (Building A) will measure 3,285 square feet while Building B, a 7,980 square foot building, will face San Antonio Road. Both buildings will measure between 25' and 30' in height.

In between the two edges of the building stands a 35' tall tower centering the area. The tower serves two purposes: (1) providing connections from the podium parking level to the upper floor by means of a stairwell and elevator on the side facing the street; and (2) an area for signage and an outdoor fireplace. A very small plaza with decorative landscaping and paving materials faces the edges of the proposed buildings and parking lot. Outdoor seating is proposed in this area.

El Camino Real Frontage

The applicant proposes a service station associated with the proposed grocery store along the El Camino Real frontage of the project site. Specifically, a small 450 square foot kiosk and a photovoltaic canopy above eight gasoline pumps are proposed along the frontage. A drive-through lane for a proposed 17,000 square foot pharmacy (Building M1 on Sheet A8), an at-grade parking area and an associated driveway are proposed to front El Camino Real.

The proposed use of a service station is not a permitted use under the existing Precise Plan. A provisional use permit would be required for the proposed service station use per the San Antonio Precise Plan. The current Precise Plan also currently prohibits all drive-through or drive-up operations where food or other products or services may be purchased by motorists without leaving their vehicles. The applicant is proposing to amend the Precise Plan to allow for a drive-through service for pharmacies only.

"South" Parcel Issues

- Uses. The variety of commercial tenant spaces is encouraged. The drive-through pharmacy window and a service station may not be appropriate on the site.
- Urban Design—El Camino Real Frontage. The El Camino Real frontage consists of a small one-story retail building, a side elevation of a pharmacy with a drive-through pharmacy window and a service station. This does not create a pedestrian-oriented streetscape consistent with the General Plan 2030 Visioning and the Grand Boulevard Initiative. Prominent buildings should front on El Camino Real and residential uses should be considered if major retail buildings are not feasible.
- Urban Design—Corner Gateway. The project offers the City an opportunity to establish a strong gateway element at the corner of El Camino Real and San Antonio Road. The proposed buildings at the corner of El Camino Real and San Antonio Road do not create a strong enough gateway element for the project. These buildings should have a stronger presence through design improvements or increasing the number of stories and adding office or residential uses to the upper floors.
- Urban Design—San Antonio Road Frontage. Limited pedestrian-level interest will be present on San Antonio Road between the corner building and the tenant space at the corner of the new main street. The parking level under the main podium will become more visible as you travel north on San Antonio Road and could result in an unpleasant pedestrian experience. This section of the project will have very little pedestrian-scale interest, although conceptual plans have been developed that show landscape screening for views into the parking level. Providing views from San Antonio Road into the main plaza area on top of the podium would provide the public a view into the activities within the center.

2. Main Street (Hetch-Hetchy Easement)

The current conceptual plans show the 80' Hetch-Hetchy easement designed as a linear park with a 12" sunken turf area, interesting curved seat walls and wide sidewalks. Large circular planters with blue plantings are scattered throughout the turf area to create an interesting pool effect. The applicant is creating a tree-lined streetscape by extending the width of the park to place the trees outside the easement area.

The applicant is proposing to have two lanes of traffic on either side of the park with angled parking fronting the proposed retail shops. A large traffic circle is proposed at the center of the easement, providing connections to and from the "north" and "south" parcels of the property. The proposed traffic lanes and parking areas are now outside of the Hetch-Hetchy easement area and, therefore, visitors to the site can still access shops should the SFPUC need to maintain the pipes in the easement area in the future.

The applicant is proposing to front the south side of the main street with shops, restaurants, sidewalks, landscaping and outdoor patios. Building heights range between 45' and 63' in height. Two main podium parking entry driveways are also proposed along this frontage, creating breaks in the wall plane with large driveway openings. Two large curved stairwells are proposed from the plaza to the main street as well as two main podium entry points.

Main Street Issues

Staff supports the conceptual design of the new main street which will create an original, attractive and dynamic pedestrian and vehicular travelway for the center. Retail tenant spaces will be located directly on the main street. The following issues should be studied further:

- Urban Design—Median Park Details. Detailed analysis of the median park design to ensure that intimate and comfortable spaces for users to play, interact and people-watch using landscaping, furniture and art. This will occur later in the design review process once the overall conceptual site design is completed.
- Circulation—Bicycle Path. A bicycle path along the main street or through the median park area is needed.
- Circulation—Master Plan. Further analysis is needed to see how the median park design can be implemented on neighboring properties which will be

part of a master plan that will focus on the circulation network throughout the shopping center.

- Urban Design—Garage Entries. Several vehicular entries to the parking garage are present along the main street. The design of these entries must be carefully reviewed to ensure that they do not dominate the streetscape.

3. "North" Parcel

Mixed-Use Residential

In mid-September, staff received updated plans from Merlone Geier Partners which included a significant change to the design and proposed uses for the "north" parcel. The "north" parcel was originally proposed to have a 156,050 square foot retail anchor building with associated subgrade, at-grade and one level of aboveground parking.

The applicant is now proposing to construct two contemporary residential buildings on the "north" parcel totaling 400 residential units (see Attachment 2). The first building, noted as Building 1 on the plans, is bounded by San Antonio Road, the proposed main street, a new curved eastern driveway separating the two residential buildings and the existing driveway located along the northern edge of the property. This building is proposed to be six stories in height (73.5') with one level of underground parking and one level of aboveground parking. The parking garage walls will be exposed along San Antonio Road and the northern edge of the property.

Wrapping the length of the building wall along the main street are retail and lobby areas measuring a total of 3,595 square feet. A small portion of the retail area is proposed to wrap around the San Antonio Road frontage. Four single-story townhome units face the new curved street. The remaining five stories of residential apartments take a U-shape form and surround a proposed courtyard on three sides. The applicant is proposing a total of 240 units in this building ranging in size from 958 square feet to 1,302 square feet. Access to the underground parking garage is from the northern driveway off San Antonio Road.

The second residential building is proposed across from the curved eastern driveway. This building is proposed to be 10 stories in height (96.5') with one level of underground parking and two levels of aboveground parking. Seven townhome units are proposed along the curved eastern driveway. Retail comprised of 4,400 square feet and a lobby/leasing office measuring 2,900 square feet are proposed to be located on the first two floors along a portion of the main

street. The garage wall extends 50' along the main street and along the northern and eastern frontages of the building. The remaining eight stories of residential apartments also take a U-shape form and surround a proposed courtyard on three sides. Access to the underground parking and parking garage is from the rear of building along the eastern portion of the site. A proposed pedestrian bridge links Building 1 to Building 2.

Entertainment Alternative

As an alternative, the applicant has developed conceptual plans showing a two-story structure over podium parking comprising 30,100 square feet of retail and restaurant space along the main street and a 2,200-seat cinema on the second floor (see Attachment 3). A prominent retail or restaurant space is placed at the corner of San Antonio Road and the main street. Parking garage walls will be exposed on the ground level along the remainder of the San Antonio Road frontage and the northern and eastern edges of the property. Pedestrian access to the cinema lobby from the main street is provided with two large staircases.

"North" Parcel Issues

- Uses. Feedback from the 2030 General Plan Visioning process show that there is public support for residential uses in the San Antonio Shopping Center. Staff supports residential uses in well-designed and appropriately scaled buildings. Adding residential units to the Precise Plan would require an amendment to the General Plan.

A cinema may be an acceptable use as long as it is designed in a manner that will encourage cinema visitors to utilize nearby restaurants and stores in the San Antonio Shopping Center.

- Urban Design—Main Street. Staff supports the conceptual designs for the main street elevation of the residential and entertainment alternatives showing ground-level retail and service spaces.
- Urban Design—San Antonio Road. Staff recommends commercial storefronts along the entire San Antonio Road frontage. The current proposals for the "north" parcel have portions of the San Antonio Road frontage that consists only of a parking garage. Those areas should be redesigned to provide an active presence on the street.

- Urban Design—Other Elevations. Staff is concerned with the exposed garage walls along the north and eastern edges of the "north" parcel. Pedestrian-friendly, ground-level spaces are essential on all sides of these buildings.
- Urban Design—Building Heights (Residential). The residential building closest to San Antonio Road would be five stories while the other would be 10 stories (96.5' tall), which is slightly lower than Avalon Towers on El Camino Real near Ortega Avenue. Council feedback on the topic of accepting a long-term vision for the shopping center with buildings in the 80' to 100' height range is needed at this time.

NEXT STEPS

Following this Study Session, the applicant will continue to work with staff and the neighboring properties on the proposed Precise Plan amendments for the entire San Antonio Shopping Center. Staff has requested that Merlone Geier provide a master plan for the entire center with the emphasis on the circulation network of vehicular, pedestrian and bicycle routes to ensure proper integration.

The applicant will also continue to narrow down the project scope so the environmental consultant can begin the CEQA analysis for the project and hold a scoping meeting with the public. Staff will continue to engage Council and the neighboring property owners as the project proposal evolves.

COUNCIL FEEDBACK

Council feedback on the following points raised in the staff report, or any other issues in the project or the shopping center as a whole, is requested.

"South" Parcel

1. Uses. Discourage service station and pharmacy with drive-through window uses. Consider mixed-use residential if it accomplishes the urban design issues below.
2. Urban Design—El Camino Real Frontage. Place prominent buildings on El Camino Real, possibly with residential uses.
3. Urban Design—Corner Gateway. Emphasize and strengthen the corner gateway.
4. Urban Design—San Antonio Road Frontage. Increase pedestrian-level interest on San Antonio Road between the corner building and the tenant space at the corner of the new main street.

Main Street

1. Urban Design—Median Park Details. Detailed designs will come later in the process.
2. Circulation—Bicycle Path. A bicycle path along the main street or through the median park area is needed.
3. Circulation—Master Plan. Further analysis is needed to see how the median park design can be implemented on neighboring properties.
4. Urban Design—Garage Entries. Carefully design the vehicular entries to the parking garage along the main street.

"North" Parcel


1. Uses. Does the Council have a preference between mixed-use residential and a cinema?
2. Urban Design—Main Street. Support the ground-level spaces Merlone Geier proposes.
3. Urban Design—San Antonio Road. Pedestrian-friendly, ground-level spaces instead of garage elevations.
4. Urban Design—Other Elevations. Pedestrian-friendly, ground-level spaces instead of garage elevations.
5. Urban Design—Building Heights (Residential). Does the Council envision the shopping center with buildings in the 80' to 100' height range?

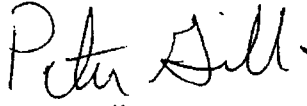
Other (includes any discussion about the rest of the center)

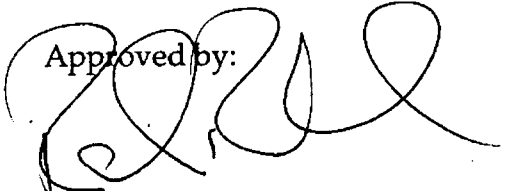
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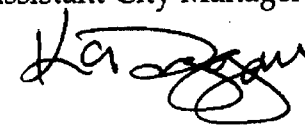
Noticing of this Study Session included an agenda posting and individual notices mailed to all property owners within 1,000' of the subject property. In addition, the meeting agenda is advertised on Channel 26 and the agenda and staff report are posted on the City's web site at www.mountainview.gov.

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- Attachments:
1. Site Plan and Architectural Plans
 2. Residential Plans
 3. Cinema Alternative Plans
 4. Planning Notes

6:00 P.M.—STUDY SESSION, PART I (HELD IN THE PLAZA CONFERENCE ROOM)

1. CALL TO ORDER

The Study Session was called to order at 6:12 p.m. with Mayor Abe-Koga presiding.

2. ROLL CALL

PRESENT: Councilmembers Inks, Kasperzak, Macias, Means, Siegel, Vice Mayor Bryant and Mayor Abe-Koga.

ABSENT: None.

3. STUDY SESSION

3.1 SAN ANTONIO SHOPPING CENTER PROPOSED DEVELOPMENT

The Deputy Zoning Administrator briefly stated that staff would like to receive input from the City Council regarding the proposed development of a 16.34-acre site located in the San Antonio Center Precise Plan area. She noted that they would like specific Council feedback on the big-picture issues and alternatives related to the conceptual vision by Merlone Geier. Staff anticipates that conceptual plans will return to the City Council at a later date as the project design evolves and additional public input is provided.

David Geier, Managing Director of Merlone Geier Partners, explained that they are a private real estate investment group with a lot of in-house expertise and provide one-stop shopping for retail development. He noted that over the past 15 years, they have bought and developed a number of poorly positioned regional malls and, utilizing their expertise, along with capital improvements, they have repositioned the centers to be successful.

Mr. Geier stated that they are working with staff to amend the zoning regarding building heights, setbacks, landscape requirements, service windows and provisional uses because the existing Precise Plan does not contemplate their or the City's vision and, in doing so, they will set the bar for not only the present development but future development on the site as well.

He then gave a review of the proposed project for both the south and north parcels, explaining that the current proposal is for residential on the north parcel with about 400 units, 150 of which would be in a five- to six-story building along the San Antonio Road corner and then stepping up to about

10 stories. He pointed out that a big part of their development is how people will get to the site, and so they will have taken a look at how the bus routes and pedestrian and bicycle traffic will be integrated into the site. He noted that they are resolving bicycle issues and are talking to staff about providing different bicycle access into the site and including bicycle lockers, bicycle showers, etc. He explained that in the center of the project, next to the market, they are considering going up to two-story buildings due to land constraints, and so they are pursuing the option with some of the interested tenants.

Kevin James, Principal—NPGR Architects, gave an overview of the architectural aspects of the project and general design concepts, focusing on the building elevations and building materials and how they affect some of the other design aspects. He explained that they are taking a timeless, contemporary approach using soft, natural colors. He added that the landscaping and hardscaping are very graphic and play off of the shapes in the architecture and are a home run in terms of design.

The Deputy Zoning Administrator explained that staff's presentation will focus on the major components of the project as they relate to urban design and adding improvements to the project that staff believes are necessary to achieve the City's goals. She stated that overall, the project will revitalize a major portion of the San Antonio Center, replacing aged buildings and underutilized land with new development that will provide new shopping opportunities for residents and strengthen the tax base of the City. Staff considers the revitalization of this site to be a critical component of the City's future and is excited about the opportunity to work with Merlone Geier on this project.

She then provided a detailed review of the overall site plan, including the proposed uses for the south and north parcels and issues and concerns identified during the review of the preliminary plans.

Regarding the south parcel, which is the larger of the proposed parcels measuring 11 acres, she explained that, among other things, staff is concerned with the proposed drive-through pharmacy, service station and parking proposed along the El Camino Real frontage as well as the viability of the small plaza area at the corner of El Camino Real and San Antonio Road. Various aspects of the San Antonio Road frontage were also described and critiqued such as the lack of pedestrian access from San Antonio Road and the "wall effect" the podium wall was creating. In addition, they are worried that a dedicated bicycle path off of San Antonio Road is not proposed either along the main street or through the park.

Regarding the Hetch-Hetchy easement and the main street, she explained that conceptually, the proposed park could create an original, attractive and dynamic main street for the center. In order for the park to be activated, however, strong pedestrian and bicycle connections are required. Other successful design concepts that should be implemented are the development of intimate and comfortable spaces for the users with the use of landscaping, furniture, art and creating zones for users to play, converse and people-watch.

The Deputy Zoning Administrator then reviewed the five-acre north parcel design, explaining that it includes a proposal for a mixed-use project and an alternate cinema design. She noted that staff supports mixed-use development on the site but thinks that the scale and intensity of the proposed buildings need to be studied in relation to the overall project and the entire shopping center. The proposed heights, although slightly lower than Avalon Towers, may not be compatible with the surrounding buildings and may be too intense for the San Antonio Shopping Center as presently designed. Specifically, the exposed garage walls along San Antonio Road and the northern and eastern frontages of the buildings seem to compete with the goal of making San Antonio Road pedestrian-friendly.

She explained that the cinema alternative creates the same design challenges as the residential proposal. The conceptual plans for the main street elevations show ground-level retail spaces but raise the same concerns regarding the garage walls along San Antonio Road and the eastern and northern elevations. A cinema use may be acceptable as long as it is designed in a manner that will encourage cinema visitors to utilize nearby restaurants and stores in the San Antonio Shopping Center.

She concluded by explaining that the applicant will continue to work with staff and the neighboring properties on the proposed Precise Plan amendments for the entire San Antonio Shopping Center and will provide staff with an overall master plan showing how the proposed project is integrated into the entire shopping center. They will also continue to narrow down the project scope so the environmental consultants can begin a CEQA analysis for the project and hold a scoping meeting with the public.

The public input portion was opened.

Sandy Berry, Realtor, Cornish & Carey Real Estate, commented that people do not want to walk on El Camino Real, and there are leasing principles involved that Council wants that are contrary to what retailers want to do, and if they want successful retail on this site, they will approve what the developer is presenting because it is what retailers are looking for.

John Mashodder spoke on behalf of property owners of the Ross and Beverages & More businesses on the north end of the site, noting they are very concerned about the impact from the high-density residential on the visibility and parking for their store.

Allison (last name unclear), Mountain View, expressed concern about the high-density residential high-rises as well as traffic and questioned if they need that much storage in the City.

Stan Salisbury, former Vice Chair of the Senior Advisory Task Force, expressed concern about accessibility for seniors and stated that it would be nice to have some places to rest and asked that they consider the impact on seniors.

Doug DeLong, Mountain View, acknowledged letters from Advocates for Affordable Housing and the League of Women Voters in general support of the project and stated that they are supportive of including retail and housing and would like to see more discussion about some of the retailer intelligence in terms of what the market is indicating and how that interacts with the design compared to the retail that is there today.

Wouter Suverkropp, Mountain View, expressed support for the development, stating that it is a great opportunity to create a more walkable environment but noted concerns with traffic and access to public transportation. He added that while it may be tempting to build out to El Camino Real, it is not a pleasant place to be as a pedestrian, and anything they can do to provide shade or make it more pedestrian-friendly would be good.

Seeing no one further wishing to speak, the public input portion was closed.

At 7:15 p.m., the Council continued Item 3.1 (Study Session, Part I) to the end of the Regular Session. The Council then convened in the Council Chambers for the Regular Session.

At 8:52 p.m., after the Regular Session, the Council reconvened in the Plaza Conference Room to continue their discussion on Item 3.1.

Councilmember Macias asked what environmental aspects are included and how this project will be built for earthquake safety, and Mr. Geier responded that they will provide: parking for alternative-fuel vehicles; bike showers; additional bike parking; storm water design, including low-flow and no-flow fixtures; storm water quality treatment; cool roofs; high-efficiency air-conditioning units; recycling programs for the center and demolition;

programs using regional materials, which will reduce transportation of materials to the site; low-VOC materials; and on-site displays of green education. He added that the project will comply with the current structural codes for Seismic Zone No. 4, which are the highest in California.

Councilmember Macias also asked if the applicant has considered integrating residential into retail, and Mr. Geier explained that this presents a number of challenges, including cost, parking and the fact that large retail operators have noise and loading issues, which would not be a good mix for residential.

Vice Mayor Bryant asked if market research was done that shows that a grocery store is needed at this location, and Mr. Geier responded that the need is very high because the site draws shoppers from a large area and commented that having more than one market in a location creates synergy, which is good because people will shop for certain things at each different store.

Vice Mayor Bryant expressed concern that there are only plans for one-third of the block, and there is nothing planned for the remaining area, noting that the whole shopping center is not well coordinated and asked staff how they propose to deal with this issue.

Staff responded that the need for a master plan and a long-range plan on how the City can begin to stitch this site together is one of the goals and explained that staff is waiting to get long-range planning ideas from the developer as well as Council's feedback on the initial comments and then they will go forward with that. Staff also confirmed that the next time they come before Council, they will be able to address more specifically the exact Precise Plan amendments.

Councilmember Kasperzak asked from a process perspective how this project integrates with the General Plan process, and staff responded that in the second round of community meetings, they have included specific boards and graphics that focus on the San Antonio Planning Area as a whole.

Councilmember Kasperzak asked if there is any possibility to have both an entertainment component with housing in the north area, and the developer responded that they are looking at that now and seeing if they can incorporate some entertainment with housing, but pointed out that theaters generate more parking than retail and also create more noise issues.

Councilmember Means asked about the impacts of residential being so close to retail and what other projects are similar that they can look at in the area, and Mr. Geier responded that there are other projects and gave the Rivermark

project as an example, explaining that it has a hotel, residential, retail and that a lot of the same tenants that they are talking to are in that center.

Councilmember Means asked, from a retail perspective, if they want the customers on the sidewalk or going inside because it seems like people will access the project from the crosswalks.

The Deputy Zoning Administrator responded that having openings will provide additional movement as well as a way for pedestrians to peek through to the plaza area and see people congregating and enjoying the restaurants.

Councilmember Means asked how bicyclists are being addressed, and the Deputy Zoning Administrator responded that they are not proposing a dedicated bicycle path at this point, although it is required in the Precise Plan.

Mr. Geier added that currently, there is no bike path on San Antonio Road, but since it is such a busy street, they do not want to promote bicycling there, so the idea is to figure out a proper way to bring traffic from established bicycle routes and not to create connections where people do not want bicycles.

Councilmember Siegel asked what they are doing to make the parking garage friendly, and staff responded that it will be tall, at 15', with a lot of natural light, bright signage and natural ventilation. Another staff member noted that this is covered parking, not underground parking.

Councilmember Siegel also asked why people would want to sit on one of the busiest corners in the City, and the applicant responded that many people like to sit where there is a lot of activity and they have had success with similar corners of the City.

Mr. Geier responded to a question from Councilmember Inks that they are analyzing the project to determine how dense the theater, restaurant and entertainment parcel needs to be to make the same economic sense as a residential development, noting that they should not have a problem finding tenants. He added that at the margin, they should not need to change the development of the south parcel to accommodate a lack of revenue on the north parcel.

Councilmember Macias asked for examples of podium parking in the area with the same scale, and staff responded that they could provide a comparative list of examples that Councilmembers could go visit.

In response to a question by Mayor Abe-Koga, Mr. Geier explained that they are trying to internalize the pedestrian movement into the site and enhance the access points where people are coming in and not just anywhere along the facade. In addition, they are improving the pedestrian experience for people who are walking along El Camino Real and San Antonio Road and bringing people in at specific sites with welcoming amenities and canopies, etc.

Mr. Geier acknowledged that they are focused on the internal shopping experience, and staff is focused on how this fits in with the overall fabric of the community, and that is the reason they have identified these issues but gave reassurance that they will get worked out.

At this point, Mayor Abe-Koga announced that Study Session, Part II regarding Draft Housing Element Goals, Policies and Programs, would be postponed to a future meeting.

Councilmember Kasperzak stated that he was excited that someone is willing to tackle the challenges of this project and that there is a lot of opportunity. Regarding circulation, he stated that given the slope and change of grade, he does not know how they are going to set buildings unless they have stores on a podium or build split-level buildings. He noted that he is not concerned about the height of the buildings and supported the housing aspect and gas station but expressed concern about the corner gateway because of the traffic, congestion, fumes, etc.

Councilmember Inks commented that this was a path towards a more intense commercialization and actually building at this site and the podium-style building arrangement is consistent with that. He added that at this stage, he would allow, with flexibility, the drive-through pharmacy, service station and mixed uses. He stated that for the garage access, he is envisioning something similar to the intersection near Sears at San Antonio Road and as far as the corner goes, an elevator tower could be appropriate, but he does not know that joining the buildings is necessary.

Vice Mayor Bryant expressed excitement about the project and the green main street but pointed out that the developers are looking at this as getting people into the center, and she is looking at this as part of the City that needs to be transparent and permeable to the rest of the City. She pointed out that given residents want a walkable City and taking into consideration the development at Mayfield, the residential component and bus traffic, there are going to be people who will want to walk to this project. Her opinion was that there has been considerable discussion about the parking garage and basically it will be a nice place to park, but that she feels like they are moving away from that and she would like to see something of a different frame. She

commented that the grand boulevard initiative is kind of transformative and agrees with everything staff has said about the importance of a pedestrian scale, and it is her feeling that people will come because they are putting in more and more residential. She supported opening the internal courtyard and agreed that one door is possible and while it may be a little different than what the usual shopping center is, it is what the residents are asking for. She thought that the height of the buildings might be too high and if they do go tall, she does not want to see a huge block.

Councilmember Means stated that the disagreement is with what the experience will be if someone walks from the traffic light at San Antonio Road and while it is good to have a nice sidewalk and landscaping, he does not know if each store should have a door and is concerned that they not get too focused on what the experience is supposed to be. He pointed out that no matter how people arrive, they will hit the main intersections and will have access to the stores and retail and that he is not sure they will change the nature of El Camino Real or Rengstorff Avenue to be very pedestrian-friendly or bicycle-friendly. Regarding mixing residential with retail and entertainment, he noted that there will be a lot of noise associated with the retail and it would not provide much privacy to the residents, and so those uses might not mix. He expressed support for the single-level podium parking and pointed out that right now there are not residents on-site, so if they build the residential component, there will be potential customers; otherwise, this site will rely on car, biking and walking traffic from the neighborhood. He commented that he is not sure he is interested in the heights proposed.

Councilmember Siegel stated that if it is not economically feasible, it will not happen but that the City wants this site to be redeveloped. He commented that the El Camino Real frontage is wrong, that he does not believe they should put in a gas station and that he is against drive-through businesses because idling in a car is bad for the environment. He added that the corner gateway should be open and inviting no matter how people are getting into the complex and that the San Antonio Road frontage will never be a pedestrian place and he would rather not see so much massing. He pointed out that it is essential that this be planned with the rest of the area for loading and all kinds of services, that the main street is great and that they should coordinate with the bike paths to get people there. He was concerned about the height of the buildings, whether the parking is going to spill over into the neighborhood, if people will park in the shopping center and whether people might not shop at Castro Street. He commented that he would rather have five- or six-story buildings, but his preference is the alternate or some combination and he would like the center to be a destination. He believes the garage entries are confusing and regarding the north parcel, his preference would be the alternate with the cinema and restaurants. He commented that

the total urban living with very high buildings is not what Mountain View is about.

Councilmember Macias stated that she is not quite sure that the design is Mountain View, and her concern is that this project is an amalgamation of things that have been in different places. She loves that Mountain View is a city with distinctive places and hopes that this project will have the same uniqueness. She noted that the podium parking does not feel right and she would like something that is not just an imitation of some other place. She stated that they will have people who will walk there from The Crossings and the Old Mill complexes, plus seniors who do not drive anymore, and they are going to need a safe way to walk into the shopping center. She explained that the project feels automobile-centric, even after having spent a lot of time saying that they want the City to be more pedestrian- and bicycle-friendly.

Mayor Abe-Koga expressed her excitement about the potential of the project but clarified that one of the main issues is balancing out driving and walking into the complex. She suggested that San Antonio Road could be the car-friendly side and that the El Camino Real grand boulevard side could be more pedestrian-friendly with the bus stopping there. She supported the mix of residential and wondered whether there would be another pedestrian pathway from that side into the shopping mall. She pointed out that she likes Avalon Towers and she would support a taller building that is possibly something in the middle of what is being proposed.

Councilmember Kasperzak explained that having podium parking is a good option. He noted that they want things to be close to the streets, yet have everything accessible on the internal streets and see inside as well, and so it seems that they want conflicting things.

Vice Mayor Bryant stated that they just do not want a big wall with a development that faces in because Mountain View is porous, open and permeable.

No formal action was taken.

The City Manager had a discussion with the Council regarding scheduling, and it was decided that the preliminary discussion of the budget strategy would be moved to September 29, 2009 from 5:00 p.m. to 7:00 p.m.; and the Housing Element Study Session would be scheduled for October 6, 2009 from 5:00 p.m. to 7:00 p.m. with the Appointee Evaluation to follow from 7:00 p.m. to 10:00 p.m.